



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.bpu.state.nj.us

RELIABILITY & SECURITY

IN THE MATTER OF PUBLIC SERVICE AND ELECTRIC)	
AND GAS COMPANY'S PETITION FOR A WAIVER OF)	DECISION AND ORDER
49 CFR § 192.59(a)(1) PURSUANT TO 49 U.S.C.)	
60118 (D) OF THE PIPELINE SAFETY ACT)	DOCKET NO. GE03110956

(SERVICE LIST ATTACHED)

BY THE BOARD: ¹

By letter dated November 25, 2003, Public Service Electric and Gas Company (PSE&G) petitioned for a waiver of 49 CFR §192.59(a)(1). PSE&G is requesting a waiver of this regulation, which states "[n]ew plastic pipe is qualified for use in natural gas pipelines if it is manufactured with a listed specification so that it may use Cross-Linked Polyethylene pipe, commonly referred to as PEX piping, for gas service under a bridge crossing in Clifton, NJ. This installation would serve as a field test to evaluate the effectiveness of the pipe for future use in the company's gas distribution system. PEX pipe has not previously been used in the United States for natural gas pipeline applications.

The engineering data provided by PSE&G and the Gas Technology Institute in Chicago indicates that PEX piping is: (1) superior in quality to standard polyethylene pipe, specifically in regard to its resistance to temperature changes and overall lifespan and (2) has been used quite extensively in the European gas pipeline industry, with over 1,375 miles of gas main and services currently in place.

By Order dated August 7, 2003, the Board approved BPU Docket No. GE02090650, permitting, with certain conditions, the installation of standard polyethylene (PE) pipe at bridge crossings in PSE&G's service territory. This installation consisted of inserting plastic pipe through larger diameter steel carrier pipe for protection from extreme weather conditions.

PSE&G proposes to use the same insertion method in the installation of the PEX piping. The same conditions imposed as part of the approval for the PE bridge crossing will also apply to this PEX waiver. In addition, since this is the first installation of its kind in the United States for gas service, PSE&G states that it will monitor the piping semiannually for five years and annually for three years thereafter. The Board is authorized pursuant to 49 U.S.C. § 60118(d) to grant this waiver.

¹ Commissioner Frederick F. Butler did not participate in the deliberation or the vote on this matter.

Concurrence from the federal Office of Pipeline Safety (OPS) is required before the waiver becomes effective. OPS is required by statute to respond within 60 days of the date of Board action if it takes exception to the waiver. The waiver would go into effect if no reply is received within 60-day time limit pursuant to 49 U.S.C. § 60018(d).

After review of the petition and the pertinent papers filed in this matter, the Board HEREBY FINDS that the use of PEX piping for gas service as requested in this petition will be conducive to the supply of reliable utility service and will not increase the risk to the utility customers or to the general public. Accordingly, the Board HEREBY ORDERS that PSE&G's request for a waiver of the requirement of 49 CFR §192.259(a) (1) be approved subject to the following conditions:

- A) The PEX pipe shall be installed in such a manner that it is protected from mechanical damage, for instance by installation in a metallic casing;
- B) The plastic pipe shall be installed so that it is protected to the extent possible from high and low temperatures;
- C) The plastic pipe shall be protected from ultraviolet radiation; and
- D) PSE&G shall monitor the piping semiannually for five years and annually for three years thereafter, and shall report to the Board the results of the monitoring in the event of any evidence of degradation or damage.

DATED: **May 12, 2004**

BOARD OF PUBLIC UTILITIES
BY:

SIGNED

JEANNE M. FOX
PRESIDENT

SIGNED

CAROL J. MURPHY
COMMISSIONER

SIGNED

CONNIE O. HUGHES
COMMISSIONER

SIGNED

JACK ALTER
COMMISSIONER

ATTEST:

SIGNED

KRISTI IZZO
SECRETARY

IN THE MATTER OF PUBLIC SERVICE AND ELECTRIC AND GAS COMPANY'S
PETITION FOR A WAIVER OF 49 CFR § 192.59(a)(1) PURSUANT TO
49 U.S.C. 60118 (D) OF THE PIPELINE SAFETY ACT

DOCKET NO. GE03110956

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